

**REVISED FISCAL IMPACT STATEMENT ON BILL NO. H.3020**

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TO: The Honorable Robert Harrell, Chairman, House Ways and Means Committee  
FROM: Office of State Budget, Budget and Control Board  
ANALYSTS: Harry Bell  
DATE: February 25, 2005 SBD: 2005002

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AUTHOR: Representative Govan PRIMARY CODE CITE: 59-29-220  
SUBJECT: Financial Literacy Instruction

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

*\$0 (No additional expenditures or savings are expected)*

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

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**BILL SUMMARY:**

House Bill 3020 would require the State Board of Education to develop or adopt a curriculum, materials, and guidelines for local school boards to use in implementing a program of instruction on financial literacy for all high schools. The Bill would allow the Board to establish a fund that could receive appropriations and/or contributions for the purpose of defraying the cost of instruction; reward students, teachers and schools; and to fund related activities.

**EXPLANATION OF IMPACT:**

The State Department of Education (SDE) indicates enactment would cost \$100,000 the first year of implementation. This estimate assumes the Department would be able to adopt and modify existing materials to satisfy the instructional requirements of the Bill. New high school economics textbooks provide financial literacy as a part of the required high school economics course. In addition, the newly adopted Social Studies Academic Standards include financial literacy as a required part of the high school economics course. Additional support through free materials is provided by the State Department of Education. However, the SDE will need to provide training for existing teachers.

Recurring costs of \$20,000 assume SDE would provide a distance-learning course for on-going instructional preparation, and continuous support, coordination and follow-up. Additionally, SDE estimates it would need at least \$20,000 for a part-time grant employee to maintain and disburse funds as directed in section 59-29-425. Therefore, recurring costs are estimated at \$40,000 annually. Non-recurring first year costs of \$60,000 would cover curriculum development and workshops to prepare educators to deliver the instructional course.

*According to SDE these additional expenditures would be covered with other funds revenue from the special fund authorized under 59-29-420. The Department indicates any expenditure not covered with other funds revenue would be absorbed by SDE within existing resources.*

**LOCAL GOVERNMENT IMPACT:**

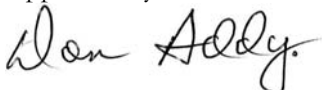
None.

**SPECIAL NOTES:**

*The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this or any other Bill.*

*The italicized portion of this impact indicates the items that have been revised. For this impact, the revised constitutes information that was not available in the original impact.*

Approved by:



Don Addy  
Assistant Director, Office of State Budget